

REMARKS/ARGUMENT

Claims 1-33 are pending. Claims 1, 10, 16, 17, 18, 19, 26 and 30 are independent.

Initially, it is requested that the SB/08 form that accompanied the Information Disclosure Statement of March 4, 2004 be initialed and returned with the next Office Action.

In response to the objection in the Office Action to the listing of the amended claims in the Amendments dated April 25, 2002, August 14, 2002 and April 1, 2003, applicants point out that the amendments to the claims in those papers were made in accordance with the Patent Office's rules *in effect at that time*. At that time, the body of an amendment was required to have only the clean amended claims, and an *appendix* was required that showed the changes made to the claims. The amendments listed by the Examiner complied with the rules in effect at the time of their filing. The rules subsequently changed to the present rules mentioned at page 2 of the Office Action. The Examiner is requested to acknowledge this in the next Office Action.

At page 3 of the Office Action, the Examiner stated that the remarks are "similar" to those made in previous responses, which "Examiner Steve Wasylchak already addressed" in the Office Action dated September 10, 2004. However, an interview with Examiner Wasylchak and Primary Examiner Jagdish Patel took place after that Office Action, and it was agreed at the interview that the previous Office Action would not simply be repeated, in view of the reliance upon official notice and dictionary definitions instead of secondary prior art references.

In particular, Primary Examiner Jagdish Patel agreed that the official notice, allegedly supported by dictionary definitions, used by the previous Examiner, would be removed in the next Office Action and replaced with actual prior art that might be combined with Togher to remedy its *admitted* deficiencies. In view of the foregoing, the present Office

Action should not rely in any way upon the September 10, 2004 Office Action, since it was agreed that the basis that was relied upon in that Office Action (namely, official notice supported by dictionary definitions) would not be repeated.

The current Office Action, however, now appears to state that Togher, in and of itself, teaches all of the claim limitations, without addressing the specific points made in the previous response, and without addressing the agreements made at the interview. Moreover, while it appears that the Examiner is relying only on Togher, the rejection is made under Section 103, without any description of how Section 103 is being applied.

In view of the above, certain points made at the interview and in the previous response will be summarized again. Further, instead of relying upon the moot Office Action of September 10, 2004, it is requested that each point made in this and the previous response be specifically addressed.

While mention was made of the Office Action of September 10, 2004, it will be presumed for the purposes of this paper that the claim objections are withdrawn in view of the overwhelming evidence presented in the previous response regarding the phrase “substantially the same.”

In the current Office Action, all of the claims were rejected under 35 U.S.C. 103 over Togher et al. In view of the absence of the mention of Official notice in the current Office Action, the Examiner Patel’s statement during the interview that official notice would *not* be relied upon in the next Office Action, it is assumed that the Examiner is taking the position that Togher et al. teaches each and every term of the claims. The Examiner’s rejection on these grounds is respectfully traversed.

Togher et al. is a system that performs *anonymous* trading. In an anonymous trading system, *matching and trade execution* are done anonymously. That is, trades are

matched and executed without the trader having knowledge of who the trader's counterparty is.

However, a particular trader may not wish to trade with every potential counterparty. For this reason, in Togher, the trader is protected by the system filtering out the orders presented to the trader such that the trader only sees orders for which there is sufficient bilateral credit, i.e., the trader's workstation only shows orders for which bilateral credit exists.

By their nature as anonymous trading systems, systems such as Togher's match and execute *all* trades are without the party to a trade knowing a counterparty's identity.

With regard to independent claim 1, it was conceded in the Office Actions issued by the previous Examiner that Togher et al. *does not* teach an anonymous trading system that includes either: (a) a means for offering to the identified counterparty a further trade at the same price as the executed deal; or (b) a means for executing a further trade that is irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place. Those Office Actions relied upon official notice supported by two dictionary definitions of cross-trading.

However, as was mentioned above, it was agreed at the interview, that the present claims would not be rejected absent citation of actual prior art that shows all the features of the claims, in particular those not present in Togher et al. The present Office Action has cited no such prior art.

While it is not entirely clear by the wording of the Office Action, it appears that the present Office Action contends that Togher et al. shows these two features without the need for secondary prior art references.

With regard to the recited means for offering to the identified counterparty a further trade at the same price as the executed deal, the Examiner took the position that this feature is shown in Togher at col. 1, lines 23-54 and col. 2, lines 28-47. This is incorrect.

The cited portion of column 1 is a description of the a prior art system, namely that system operated by Reuters. In that system, a central computer maintains the bilateral credit limits and blocks completion of otherwise eligible deals if the transaction is in excess of the applicable gross credit limit between the parties. The difficulty with the Reuters system is that traders are shown a number of the best bids and offers without reference to credit limits between counterparties. As a result, they may only find out after they have already executed a "hit" or "take" that the deal cannot go through due to a lack of credit between the parties.

The cited portion of column 1 contains no teaching of the recited feature for which it is cited.

The second cited portion of Togher, namely col. 2, lines 38-47, describes the Togher invention itself. That is, it is describing a different system from that discussed in column 1. Togher solved the above-mentioned problem of the Reuters system by pre-screening deals for credit before they are even displayed on a traders workstation. In Togher, actual credit limits between a trading floor (for example) and other possible counterparties are maintained at a Market Access Node (MAN) generally associated with the trading floor. A yes/no credit matrix (without actual credit limits) is maintained at the Market Distributor (MD).

Making use of the information in the yes/no matrix (which indicates as between counterparties whether there is credit remaining in the bilateral credit limit), and the book of bids and offers in the system, the MD generates "market views" and distributes these to each MAN. The market view is a view of the market, i.e, available bids and offers, that may actually be accepted by a particular trader, that is, for which bilateral credit exists. This way, in Togher

et al., only dealable bids and offers are displayed as being hittable on a trader's workstation in Togher.

However, the portion of column 2 relied upon in the Office Action also fails to teach the limitation for which it is relied and only discusses the use of the preauthorization matrix to prepare the market view prescreened by credit.

With regard to the recited means for executing a further trade that is irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place, the Examiner relied upon col. 2, line 32 to col. 3, line 44. However, the cited portion of Togher et al. has nothing to do with the recited claim limitation.

Togher only permits trades for which bilateral credit remains between the counterparties. However, because the yes/no credit matrix maintained by the MD only indicates that *some* credit remains between the counterparties, it is possible that not enough credit actually existed between the counterparties to cover the deal that was displayed as part of the market view. A party is permitted to block, at the subsequent deal execution/verification stage, any portion of the trade that is above the actual remaining limits. Col. 3, lines 1-8.

One alternative mentioned in Togher et al. for handling this situation is to either allow the entire transaction to go through, or to block the entire transaction. A third alternative is that the authorization matrix could indicate that a standard deal size can go through, and the possibility of two prices, one for a standard size deal, and another for a smaller deal, could be displayed. Col. 3, lines 8-21.

In any event, these alternatives are all discussing *the same single transaction*, not an *additional* transaction offered after execution of a first trade, and irrespective of the credit

limits, as is claimed. All of the alternatives mentioned in this portion of Togher et al. involve how to handle a trade for which the matrix indicates some credit remains, but not enough credit remains to cover the entire deal. There is no mention of offering a *further* deal, still less having that further deal made irrespective of credit limitations.

With regard to the indication of a “best current price” in addition to the best dealable price, in Togher this is shown to the trader for reference purposes, for example to let the trader know of possible arbitrage opportunities. This best current price shows the best price anywhere in the market but it cannot be hit unless it is with a trader who is eligible to deal, i.e., with a counterparty having bilateral credit remaining, in which case the best dealable price would be the same as the best current price.

The best current price in Togher et al. is simply for reference purposes, although the best current price could be the same as the best dealable price, i.e., it could be from an credit bearing counterparty, in which case it could be hit. For this reason, “a ‘regular’ displayed Dealable price 24,26 will never be better than the displayed Best price 18,20; if worse than the Best price 18,20, this is an indication that the trader is barred by credit limitations from obtaining the best price that is then theoretically available.” Col. 8, lines 7-12.

Thus, this portion of Togher et al. also does not teach or suggest the recited means for executing a further trade that is irrespective of whether or not the further trade exceeds one or both of the credit limits assigned by each of the parties to the trade to the other in place when said executed deal took place. No further trade is mentioned in the cited portions of Togher. Moreover, the best price without regard to credit is displayed for reference purposes, but is *not* a dealable price unless bilateral credit exists between the counterparties.

For at least the above reasons, Togher et al. does not teach at least the features discussed above.

Further, anonymous trading systems are designed to keep the identities of trading partners anonymous. For this additional reason, the anonymous nature of the Togher et al. system would have *dissuaded* one of ordinary skill in the art from redesigning the system so as to provide the recited further trade by the means for identifying, the means for offering, and the means for executing, since execution and matching are always done anonymously in an anonymous trading system.

As was pointed out in the previous responses, in claim 1, the anonymous trading system *encourages* the further non-anonymous trade, which is contrary to Togher, since the trade is not anonymous.

In view of the above, among the limitations of independent claim 10, which are neither disclosed nor suggested in the art of record are:

“the deal execution means further identifying the counterparties to each other on completion of the deal; and

means for permitting a party to an executed deal to provide a non-anonymous offer or request for a further deal with the for a counterparty to the executed deal at the same price, the means for permitting including means for adjusting the counterparties credit limits with one another by an amount equal to the value of the deal.”

The rejection of claim 10 is believed to be defective for reasons similar to those discussed above, and discussed at the interview. It is therefore requested that the rejection be withdrawn.

Among the limitations of claim 16, which are neither disclosed nor suggested in Togher et al. are:

“the broker terminal further effectuates a first order between a first and second trader, notifies the first and second trader of the respective identities of their counterparties, and, thereafter, when requested by at least one of the

first and second traders, the broker terminal effectuates a second order between the first and second traders at substantially the same price as the first order regardless of the credit limits between the first and second traders.”

Independent claim 16 is believed patentable for reasons substantially similar to those discussed above in connection with claims 1 and 10.

Independent claims 17, 18, 26 and 30, as well as the claims dependent thereon, are believed patentable for reasons substantially similar to those delineated above in connection with independent claims 1, 10 and 16.

Among the limitations of claim 19, which are neither disclosed nor suggested in the Togher et al., are:

“performing a second trade between the first and second trader through the anonymous trading system without regard to the trading limits.”

Togher et al. performs a single trade, not two separate trades, and certainly does not disclose or suggest the desirability of first carrying out a first trade based on trading limits and then performing a second trade without regard to the trading limits, as discussed above.

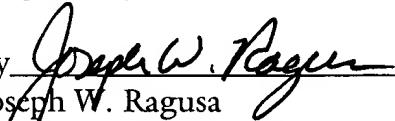
For at least the above, reasons, claim 19 is believed allowable.

The other claims in this application are each dependent from one or another of the independent claims discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

In view of the arguments presented above, in previous papers, and at the February 10, 2005 interview, reconsideration and allowance of the application are respectfully requested.

Dated: April 25, 2006

Respectfully submitted,

By 
Joseph W. Ragusa

Registration No.: 38,586
DICKSTEIN SHAPIRO MORIN &
OSHINSKY LLP
1177 Avenue of the Americas
41st Floor
New York, New York 10036-2714
(212) 835-1400
Attorneys for Applicant